



RiskIntelligence

Client notice: Situation in the Red Sea

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Introduction

As the Houthis have announced a pause in their campaign against commercial shipping in the Red Sea and the Gulf of Aden, the situation remains complicated. This document provides a short overview of recent developments as well as a short background section about the current level of maritime traffic in the area.

Date and time of the last intelligence used in this report: 20 January 2025, 12:00 UTC.

What is the current situation?

The Houthis have announced a pause in their campaign against commercial shipping, positively acknowledging the ceasefire deal in Gaza. On 19 January 2025, the Houthis stated that trade through the Red Sea would re-open for all categories except Israeli-flagged vessels or vessels directly owned by Israeli entities.

The campaign's pause is largely contingent on the Houthis' perception of Israel's behaviour in the upcoming days and weeks. The Houthis, like Israel, have granted themselves much leeway in interpreting events and adversaries' behaviour, meaning there is ample opportunity for the conflict in Gaza and the Red Sea campaign to continue.

While the conditions for a return of maritime traffic have begun to appear, there is still some way to go before a return to the pre-campaign normal. The shipping industry must be convinced that the current lull in attacks is not just temporary. The Houthis, Israel and Hamas must exercise restraint long enough for this to happen, and political considerations in Yemen must favour a continued cessation of Houthi strikes at sea.

None of these conditions will be easily met, and the latest progress may easily be inverted. However, rhetoric has been positive from most sides, giving grounds for cautious optimism.

Further information

Risk Intelligence will host a webinar on Tuesday, 21 January (10:00 CET) to discuss the current situation and the outlook for commercial shipping across the Middle East. Ongoing developments which are related to the threat of Houthi attacks against commercial shipping will also be discussed.

You can register for free at www.riskintelligence.eu/webinar-series. A recording of the webinar will be distributed after the event to ensure that everybody can access the information, even without attending the webinar live.

Background

Since the seizure of the GALAXY LEADER on 19 November 2023, Risk Intelligence has identified dozens of attacks by Houthi forces in the Red Sea and the Gulf of Aden. The frequency of attacks against merchant ships has decreased in recent months, although this was very likely due to the limited number of potential targets and the fact that the Houthis had firmly established the threat.

This analysis is supported by traffic figures which suggest that the shipping industry has adapted to the situation. Even when no attacks had been conducted by the Houthis for several weeks, maritime traffic did not increase. At the same time, clusters of attacks have not caused a further decrease in traffic either.

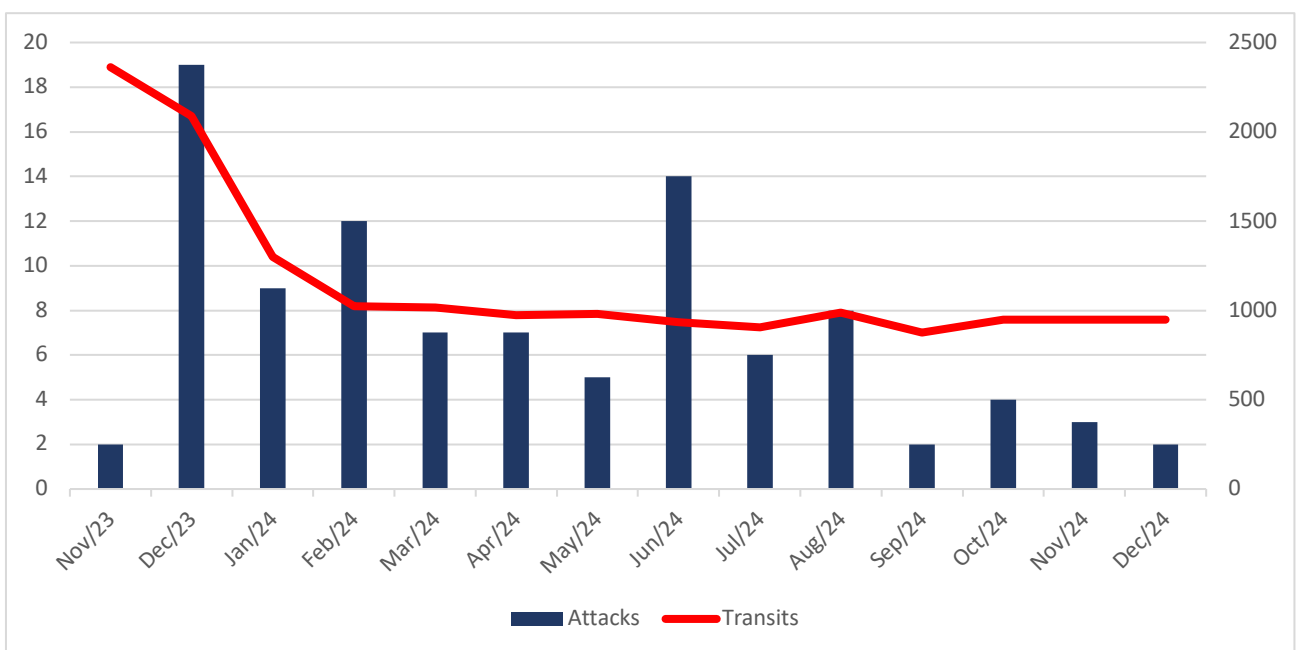


Figure 1: Attacks against merchant ships per month (blue columns) and number of monthly Bab el Mandeb transits by merchant ships >10,000 dwt (red line) (Source: Risk Intelligence System / Lloyd's List Intelligence/Seasearcher)

Note: Detailed statistics about Houthi attacks against commercial ships in the Red Sea and the Gulf of Aden since November 2023 are also available on the Risk Intelligence System.

The graph above also indicates that the Houthis have reached their goal and are more likely to be reacting to political events than to maritime activity in the Red Sea and the Gulf of Aden. The amount of maritime traffic in this area has remained steady since February 2024, regardless of attack levels. Following an adaptation phase in December 2023 and January 2024, the shipping industry settled on a "new normal" which involved re-routing merchant ships away from Red Sea transits.

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